

Special Chile Issue

# LAWG LETTER



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# Editorial

This year, September 4 to 11 has been internationally designated a week of solidarity with Chile, to commemorate the bloody military coup which took place on September 11, 1973.

The LAWG LETTER is devoting much of this issue to furthering an understanding of the situation in Chile before the coup and the conditions which prevail there now. It includes an article on agrarian reform under Allende, and an interview with Pedro Vuskovic, former Minister of the Economy, in which he describes the economic policies of the military junta and their disastrous effects on the Chilean working class. Canada's own involvement in Chilean affairs is documented in a chronology of the development of our aid program, culminating in aid to the junta, and in an interview with a Canadian, recently returned from Chile, who speaks about the exasperating procedures a Chilean must go through in applying to immigrate to Canada.

Recently 400 well known sociologists signed a petition asking for the release of Clodomiro Almeida, former Minister of Foreign Affairs in the Popular Unity government. This kind of public pressure is important to maintain. We urge all Canadians to participate in the international demonstrations in solidarity with the resistance movement in Chile. Organize and attend public meetings, join demonstrations, show your support in whatever way you can for the struggle against fascism in Chile.

## TORONTO

DEMONSTRATION AND MARCH  
leaving Queen's Park at  
7:00 pm.  
Sept. 13

PUBLIC MEETING  
Sept. 11 at 8:00 pm.  
Ontario College of Education  
at Bloor and Spadina Streets

These events are tentative. For  
further information contact 533-4221.

## COMMITTEES

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# Agrarian Reform and Popular Consumption Under the Unidad Popular

*The following article is based on an article by Jaime Crispi which appeared in Chile Hoy's Agricultural Supplement, February, 1973. Chile Hoy was perhaps the most important periodical to appear in Chile during the Unidad Popular's period in power. As a bi-weekly, Chile Hoy attempted to report on and provide critical comments on the social and political changes that were taking place.*

*This article attempts to explain some of the central internal contradictions which impeded the growth of the agricultural sector and its relationship to popular consumption during the Unidad Popular government. Although the emphasis is on internal problems, the article must be read in the context of the extreme vulnerability of the agricultural sector to both internal and external pressures, such as world food prices, the high cost of imported machine parts from the developed world, the low prices for exports, and the inflationary spiral and massive debts inherited from the previous government. These internal and external pressures were but manifestations of class warfare. While the imperialist forces were attempting to strangle the Chilean economy through an international credit blockade, the Chilean bourgeoisie, allied to the imperialists, was attempting to sabotage the Popular Unity from the inside in order to maintain their traditional class privilege.*

During 1972, Chile began to experience a shortage of consumer goods and the development of parallel channels of distribution, known as the black market. Since the October "bosses strike", these parallel channels had grown, and had become almost as strong as the traditional channels although the goods were being sold at extremely high prices.

The right-wing contended that land reform had created these shortages by decreasing agricultural production. However, one needs to examine the total agricultural product available during 1971-72, that is, the national product plus imports. (Those products available for exports did not show a decrease in the internal market, and therefore may be disregarded.) The National Institute of Statistics shows that with a few exceptions such as wheat, the national production actually increased between 1969-70 and 1971-72. Moreover, imports increased significantly, especially wheat, milk and sugar which nearly doubled. Therefore, by 1972, there was a greater amount of foodstuffs available per capita as compared to 1970. The arguments of the right-wing that there existed shortages were lies which had a definite political end.

## RELATION OF SUPPLY AND CONSUMER POWER

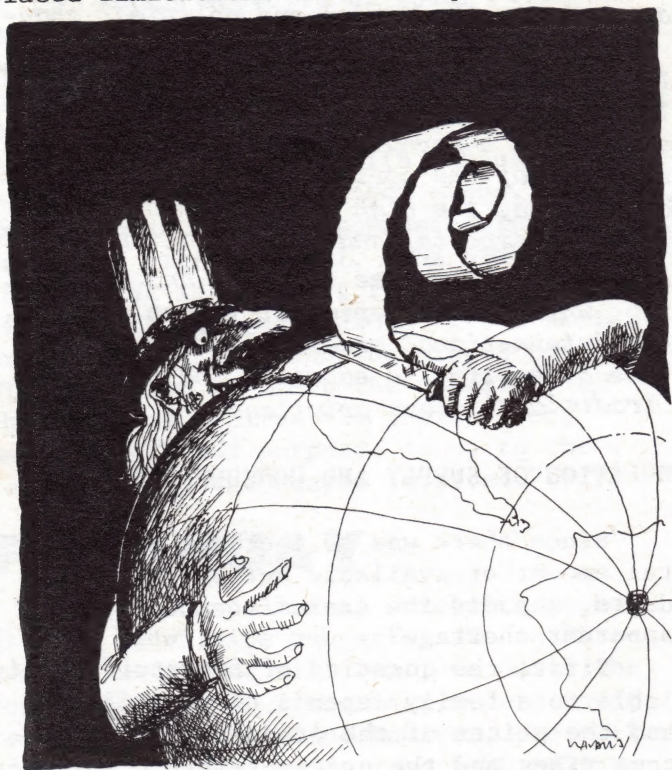
Since there was an increase in the total amount of available agricultural products, why did the consumer experience an apparent shortage?

First, the quantity of foodstuffs available to a family depends on their income and the prices of the products. When income rises and the prices remain stable, or when the rise in income is greater than the rise in prices, you have an increase in consumption. That was the situation which occurred in Chile in 1971. The government proposed a 66.6% increase in the income of the lowest paid workers while only permitting a 22.1% rise in prices. The income of workers in relation to national income rose from 53.7% in 1970 to 58.6% in 1971. This tendency continued during the first months of 1972. Therefore, real consumption of foodstuffs experienced a massive increase during the first year and a half of the government, because of the increase in real income among the popular sectors.

Given this massive increase in demand, it was difficult to increase the supply at an equivalent and simultaneous rate. First of all only a relatively small percentage of Chilean land is arable. While in indus-



trial production one can make the machines work at double capacity to double supply, agriculture has its own productive cycle and a dynamic which is difficult to modify without great investments and a complete revolution in the methods of cultivation. Moreover, the agrarian reform had created problems for *campesinos* and the state alike, preventing massive increase in production. For example, the redistribution of land that enabled more people to live off the land, resulted in a decapitalization that did not increase production. Finally, the shortage of foreign currency placed limitations on food imports.



However, the problem was not purely economic. Now that the proletariat and other popular sectors had the real possibility of competing with the bourgeoisie for foodstuffs, the historic class struggle surfaced. For the first time, there was an alteration in the traditional distribution of income. However, because the dominant rules of the game were still those of the capitalist modes of production, the rules still favoured those with more money. The bourgeoisie did not diminish its level of consumption, it maintained it, but at higher costs. And it is from here, that the black market sprung. The rich were able to offer higher prices to obtain the same amount of foodstuffs as before. Although merchants were obliged by the government to maintain official prices, various sectors

of these merchants began to speculate and improvise new channels of distribution. This black market operated by removing products from normal channels, thus accenting shortages and speculation. Moreover, the fear of real or false shortages created panic. Households began to stock up to avoid being left short.

The situation was worsened by the right's systematic campaign to increase the panic by making false predictions of shortages, by hoarding large quantities of goods or by illegally exporting goods. In addition, the profits from speculation were used by the right to finance the "bosses' strike" (known in North America as the "truckers' strike" of October, 1972) and the Congressional election campaign in March of 1973. Finally it created discontent in the masses who began to feel a decrease in the buying power they had acquired since 1971.

Thus in 1972, the distortions of the marketing and price system were negating the increased supply of foodstuffs. In order to normalize the situation for 1973, the government had to increase the supply in a consistent and massive proportion such that speculation would be unfeasible, and households would no longer feel the need to stock up.

However, it was clear that the national production for 1973 would decrease from that of 1972, and that dollars for imports were limited. This multiple problem would prevent workers from maintaining the same level of income and consumption acquired since 1971.

The solution of the bourgeoisie for this kind of problem is very simple: to raise the prices of given products such that they are inaccessible to the popular classes. That is to say, to "ration" the foodstuffs in accordance with the amount of money each one has, money being the "ration" card which has always been used in capitalist society. This kind of "rationing" was antagonistic to the government's proposal to develop a more socialist mode of distribution where each one receives according to his need. It is clear and understandable that these government measures would be violently opposed by the bourgeoisie. It is also clear that these measures not only benefitted the immediate needs of the popular classes, but it also provided them with a weapon with which to fight their traditional class enemies.



## AGRICULTURAL SECTOR

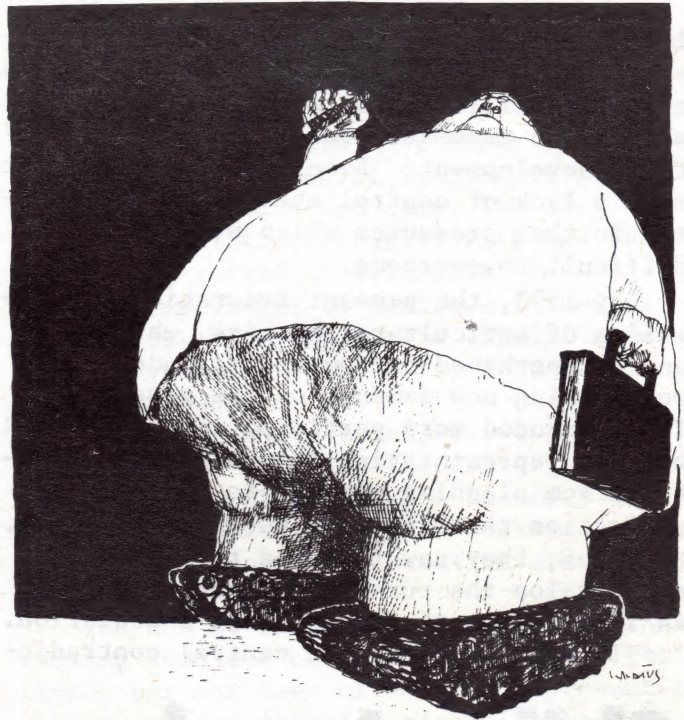
Let's return to the agricultural sector: In order to distribute a certain quantity of foodstuffs among the population at controlled prices, the government had to dispose of this quantity. The State could count on the traditional imports, however this was not enough. The National Production represented a large volume of the total available foodstuffs but the tactics of speculation and the black market impeded the State's buying power. By 1973, the situation warranted certain emergency measures, such as State controls over wheat, which prohibited private merchants from either buying, marketing or transporting the grain. As well, complementary measures were taken to encourage producers to sell to the state, i.e., a series of incentives including reasonable profits, assignment of machinery, fertilizers, seeds and other raw materials necessary for production. Finally, the government recognized the necessity of producers to keep a stock of their own produce. All these measures took place in the context of a peasant-worker alliance, based on fundamental support from the government and a call to the peasantry to cooperate in solving the "food" problem of their class brothers in the urban setting. These moves were supported by the majority of peasant organizations.

The first priority behind this policy was to guarantee the population enough bread for 1973. However, the government hoped to extend its controls to other products such that the peasantry and the small and middle-sized farmers would produce more and sell their produce to the state. In order to be successful, the government had to deal with the basic problems of agricultural production.

During the recent years it had become clear that the industrial sector was operating under capacity. Similarly, the agricultural resources were under-utilized, and this had been one of the basic reasons behind the agrarian reforms begun under the previous Frei government.

The causes behind this under-utilization were based in the traditional system of land tenure developed in the early stages of colonization. Later this under-utilization became structured into the modes of production of the Chilean economy, i.e., a dependent capitalist economy.

The first step taken to modify this situation was to eliminate the *latifundis-*



*tas* (owners of vast semi-feudal estates) who were the central pivot in this structure. This stage was largely completed by expropriating all landholdings over 80 *hectares* (1 *hectare* = 10,000 sq. meters) which represented 35% of the agricultural lands, and by handing them over to the peasantry.

However, the problem of increasing production is much more complex than the question of land tenure. It was impossible to solve the production problem without first eliminating the social structures that gave origin to it.

In order to augment supply and keep prices under control, the government policy had to develop the productive forces in the rural areas, modify their relationships, and create an increased awareness on the part of the peasantry. For example, the government controls had to be accompanied by a new jump in agrarian reform. Middle-sized farmers, for example, still had alot of leeway in the quantity they could produce and to whom they could sell, thus circumventing government plans. These small and middle-sized farmers constituted a *petit-bourgeoisie* which was difficult to control. On the whole, they preferred the security of selling to speculators, and saving their profits at home or abroad.

Moreover, the inflation inherited by the Popular Unity from the previous government, created serious problems for the agrarian reforms. Machinery and spare parts were very expensive and difficult to import because of the shortage of U.S. dol-



lars. In order to obtain badly needed foreign currency, the government was forced to export fertilizers and other materials which were necessary for their own agricultural development. Finally, the government's lack of control over transport created further pressures which were extremely difficult to overcome.

By 1973, the peasant federation and the unions of agricultural workers, which grew and strengthened during the Allende years, were making new demands on the government. They demanded more participation as opposed to just representation in the state apparatus--from planning through to control over production through their base organization. Moreover, they saw the need to strengthen and develop the rural marketing centers as an important measure to combat speculation.

These were among the central contradic-

tions facing the agricultural sector in Chile. In conclusion, it must be stressed again that contrary to industrial production, you cannot expect spectacular increases in agro-production in short term. Agriculture was one of the most vulnerable sectors of the Chilean economy. The agrarian problem could not be solved without advancing on all levels of the economy in a coherent fashion, rationalizing the changes in the economic structure with the changes in the super-structure, and the correlation of forces which in the end decide the problem of power. Finally, the policies had to develop in harmony with the growing consciousness of the peasantry and the alliance of the working class, thus permitting the process in its entirety to advance toward socialism.

## Chile; Immigration to Canada

The following is an interview with a Canadian social worker, resident in Chile for the past year, who assisted refugees desiring to come to Canada. We have learned that as of August 12th, only 695 Chileans had arrived in Canada. As a matter of fact, Canadian immigration statistics show that for the first quarter of this year there was higher immigration from Ecuador (452) than from Chile (395). This despite the fact that in Chile a special program is supposedly in operation while Ecuador doesn't even have a Canadian immigration office...

*Q. What was Chile like when you left?*

*A.* We left August 5th. About one week before we left around 12,000 people were rounded up in a three day operation, taken prisoner and sent to diverse prison camps. The kind of repression that was going on in the first three months after the coup, continues today, on a very large scale. It is not a question of isolated cases or mistakes.

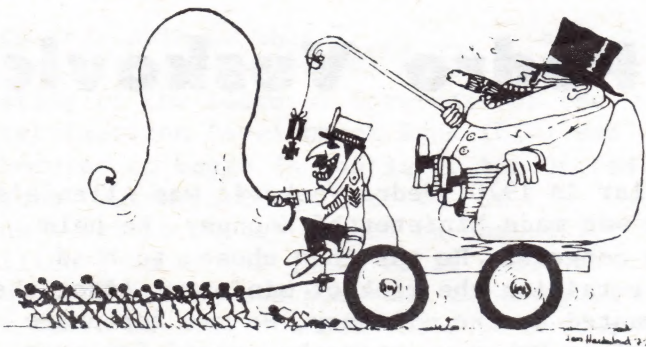
*Q. What about those not subject to detention?*

*A.* People are being dismissed from their jobs for prior political affiliations or even suspected political affiliations. One case: a person considered to be a Christian Democrat, although she wasn't even a party member, was thrown out of her job with a list of five charges -- sabotage, plotting against the military -- all of which were ridiculous. Anyone dis-

missed becomes blacklisted. When a prospective employer interviews the person he asks for a certificate of antecedents, proof that the person has no criminal record. Previously people got these personally from the police, now the employer gets it directly from the police, thus all the political record of the employee gets sent to the employer. Makes it absolutely impossible to get employment in either the public or private enterprise.

I have known of cases where people were dismissed from their job, they were given certificates stating that they may not work in Chile for a specific length of time: a year, 18 months, 2 years. If anyone has been detained, regardless of whether they've been released late, or without charges, or anything, the fact that they've been detained excludes them from the employment market. I've never known of a person who was detained and managed to get employment afterwards.





*Q. Canadian officials frequently state that they will not accept people as being in danger or oppressed on economic reasons alone.*

*A. It's really difficult to divorce the economic from the political. If you've been detained, and even if you've proved to the military's satisfaction that you've done nothing, but you can't get a job because you've been detained, is your reason for leaving Chile simply economic? There is an enormous group of people who need to leave, who are not being actively persecuted at this moment, but were persecuted, have lost their job, have no future or chance of existence or subsistence in Chile.*

*Q. What about those actively persecuted?*

*A. People are looked for, picked up and detained, released, picked up and detained again, let go, picked up . . . These people need to leave Chile, if they choose to. They are subject to detention for long periods of time, without right to counsel, legal defense or anything. There is no limit to length of time . . . no reason must be given . . . no explanation is given, nor can any be insisted upon.*

*As well we know there are many specialized centers of torture. When the Commission for Human Rights of the Organization of American States was in Chile (invited by the junta), they were refused entry to three of these centres in Santiago, despite the fact that the junta had promised admission everywhere.*

*Q. What can they expect when they go to the Canadian embassy for help?*

*A. They must go through the immigration process, which is terribly involved, and getting longer and longer all the time. When I left Chile the process was taking about 4 or 5 months, from application to visa.*

In fact one of the reasons that it's gotten longer has been the security check that is run on people. Now there is no RCMP official in Santiago, he is in Buenos Aires and must travel over once in a while . . .

Normally in most parts of the world where Canadian immigration offices operate, security checks are run on people from the point of view of checking criminal records. The focus in Chile is completely different, it is based primarily on political activities, particularly past leftist political activities. I don't think they care a bit whether a person has been active on the right.

*Q. Who do the RCMP ask for background information?*

*A. At one point we had absolute confirmation that part of the process was for a person to be approved by CIA files, in order to be cleared by Canadian security you had to first be cleared by American security. I'm not certain that the process is still in effect, or to what extent. When it was true, Chilean authorities were not being used, at least not much. Now, however, I do know that the Chilean authorities are being consulted, that clearance for security depends on what the Chilean authorities report about a person, so that, if they have a political file that they'd pass on to a prospective employer, they would pass on the same information to the RCMP.*

*Q. And an applicant would be accepted or rejected on the basis of information from the oppressive police force he is trying to escape?*

*A. Yes, of course, that's one of the ironies. It's terribly unjust, . . . so much of the information is erroneous and unfounded, based on pure suspicion and nothing more. It seems incredible that the Canadian police should be relying on it. Immigration has been terribly close-mouthed about exactly what goes on, and exactly what are grounds for refusing a person.*

*Q. And if the person is really in danger?*

*A. Canada has a special category to offer which does not speed up the process by any means. There is the common immigrant cate-*

(...cont'd on page 11)



# An Interview with Pedro Vuskovic

Prior to the electoral victory of the Unidad Popular in 1970, Pedro Vuskovic was Allende's principal economic advisor. After the election he was made Minister of Economy. He held this post until he was censured by the right-wing congress. He was then chosen to head up the Development Corporation of Chile (CORFO), retaining the rank of minister. After the coup, Vuskovic was one of the UP officials most wanted by the military. He was fortunate enough to have been able to seek asylum in the Mexican Embassy, where he stayed for over eight months before being allowed to leave Chile. Vuskovic will be making a North American speaking tour in October, visiting Toronto and perhaps Regina while in Canada.

*Q. As the former Minister of the Economy and later Vice-President of CORFO (the State Development Agency) we would be interested in hearing your analyses of the economic policies of the military junta and their effects upon the Chilean economy. Especially, how have these policies affected the different social sectors in Chile?*

A. I believe that the central fact is that today, under the dictatorship, Chile is experiencing one of the most dramatic economic situations in the history of the country. Unemployment has reached unprecedented levels representing some 20% of the economically active population of Chile and this represents the highest level of unemployment registered in Chile since the crises of the 1930s. That is one factor.

A second factor is that the real income and the purchasing power of the vast majority of the population has been sharply cut back. The internal price structure, above all in respect to essential items, has increased from 12 to 15 times since September to today while wages and salaries have been readjusted at a substantially lower rate. Among the poorest sectors of the Chilean population, there is hunger, malnutrition, and in the homes of the middle class, this winter was one without heat for they could not afford to pay the present price of fuel.

In the third place, the insufficient demand resulting from this violent decline in purchasing power of the Chilean population is beginning to affect production levels.

The imposition of military discipline over the workforce is no longer enough to maintain these levels of production. The imposition of this military discipline in respect to the labour force immediately

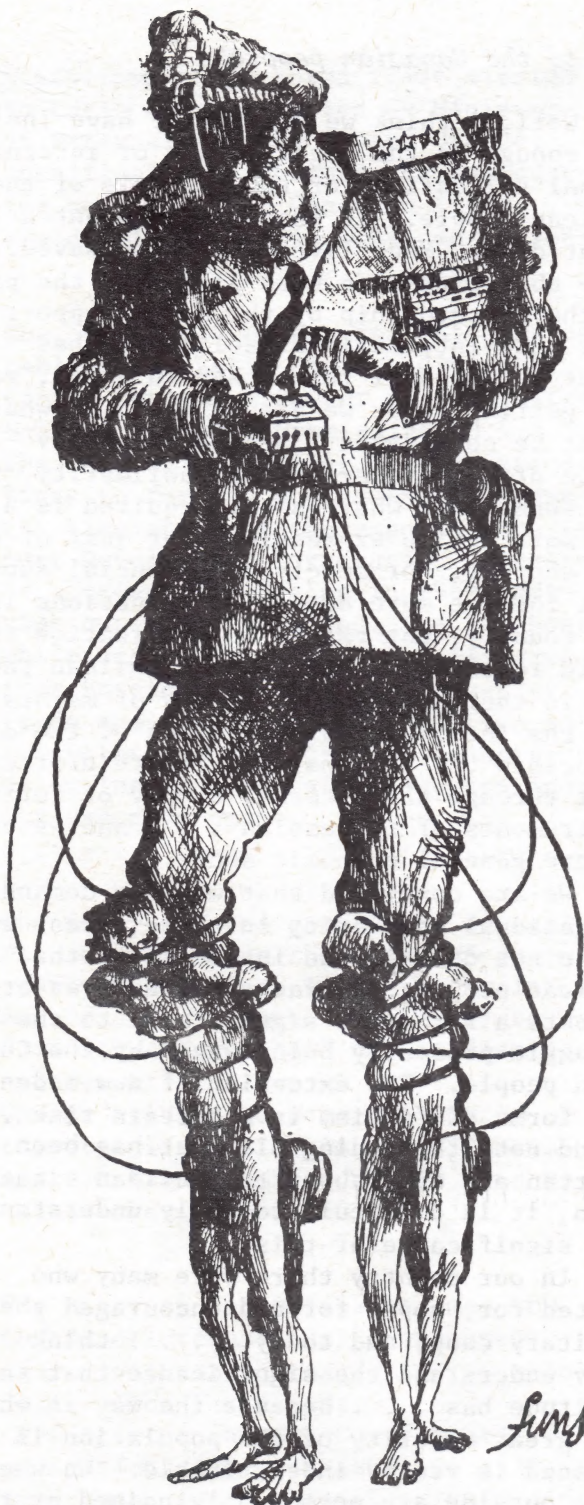
after the coup permitted them to increase the production in the first months. But already by March industrial production was lower than that in March 1973 with a decline, which in some industrial sectors, for example that of soft drink production, dropped some 25% comparing March 1974 with March 1973.

I would consider the high level of unemployment, the substantial reduction of real income and of the population's purchasing power and that which is beginning to occur now in respect to declines in production for lack of demand, as three of the main characteristics resulting from the dictatorship's economic policy.

Now then, it is worth noting, despite such a high social cost, the dictatorship has not been able to resolve the principal economic imbalance. After having substantially elevated the level of prices, I repeat, increasing them from 12 to 15 times, since September 11 to today, still the inflationary pressures continue to be felt and the prospect is that inflation will continue to be felt and the prospect is that inflation will continue at a very high rate. In the first months of this year the monthly average price increase was greater than 15%. The same occurred with the fiscal deficit, despite all that was done in respect to the reduction of the real incomes of civil servants, of firing in the public service, the fiscal deficit continues and they have not been able to find a resolution to this problem.

Now in respect to the second part of the question about who is being affected by this economic policy . . . I would say that the consequences of this economic policy fall upon the classes and social sectors that constitute the immense majority of the Chilean population. Of course, the worst impact falls on the working class which suffers an increasing





process of impoverishment, but it also affects white collar employees, technicians and professionals. Merchants and small manufacturers have practically lost their working capital and have experienced large declines in sales and other business activity.

The small- and medium-sized industrialists find themselves unprotected in the face of the competition of the large enterprises and the influx of imported products (following the lifting of protective tar-

iffs, ed. note).

*Q. In the second place, what type of trade union structure has the Junta tried to establish and how has the working class responded?*

A. I believe that to appreciate what is happening to the trade union movement today, one must understand that it is of the very essence of the dictatorship's economic policy to seek a way out of the problems of the economy through the super exploitation of the workers; they believe that this will solve both the imbalances (presently existing) and lead to an eventual expansion of the economy. This is the central point.

Consequently, the dictatorship cannot tolerate the existence of union organization with a minimum of independence that defends the interests of the workers. That explains why the Central Workers' Union, the highest level organization of the Chilean union movement, has been disbanded and persecuted and the same has occurred with the large workers' federations. The national leaders have been assassinated, jailed or forced into exile, and the repression has extended down to local level union leaders.

As a result, all efforts at promoting real union demands have been relentlessly crushed. In respect to this, I believe that the objective testimony collected by the International Labour Organization is well known; on the basis of this evidence, this international organization decided to undertake a very broad investigation in Chile.

Naturally, the dictatorship seeks to find some response, wishing to give the impression of some active union organization at this moment. But that only represents efforts to create this image on the bases of certain unions where, by imposition of the dictatorship's force, there have been established or imposed selected leaders who don't represent or reflect the interests or sentiments of the workers. I believe that in the long run, so long as the dictatorship remains in power in Chile, they will tend to increase the fiction of an union organization.

But the truth is that as a result of the very nature of the dictatorship's economic policy and because of its political significance, there is no possibility of the functioning of an effective union organiza-



tion. This, I believe, is the situation which exists at this moment.

*Q. How do you see the short run development of the political situation? Is there some possibility of a change of military guard now that Pinochet is installed as President?*

A. I believe that within the general political and economic framework which exists it is inevitable that all types of contradictions develop within the Armed Forces themselves. Thus it would not do to exclude the possibility of some changes. I believe that the cabinet shuffle of a few weeks ago reflects the character of these contradictions. But in any case it would be a matter of changes which would not alter the essential characteristics of the dictatorship.

That which seems most important to me is that in the midst of these objective contradictions, the Chilean people will be reorganizing their forces, they will overcome the enormous losses they suffered, they will defy the repression, they will build their capacity for confrontation with maturity, with decisiveness, without falling into desperation. And it will be done with the certainty of winning the opportunity of future historical stages in which the painfully interrupted road will be retaken, having learned the lessons of this bitter experience.

In this sense, the Chilean people certainly count not only on their own strength, but also on the strength of international solidarity; solidarity, which to refer to it in terms of the previous answer, is both disinterested (selfless) but it is also very much in the interests of other people's self-defence . . . in so far as, while in Chile the rebirth of a neo-fascist form is attempted whose consolidation would represent a threat for all peoples . . . to this extent then, international solidarity not only has the significance of a humane attitude towards a people who are suffering what the Chilean people suffer today but also has the significance of self-defence for these other peoples.

I believe that in this sense it is important nobody fool themselves or remain indifferent in the face of the importance of this threat today.

*Q. And, finally, is there anything you would like to add that would be of inter-*

*est to the Canadian people?*

A. Well, I think we will never have insisted enough on the significance of international solidarity for the struggle of the Chilean people. It has already meant a great deal. Many lives have been saved. Many obstacles have been placed in the path of the dictatorship by the moral support that this international solidarity has meant . . . and I think that in a way, we are getting to or we are at . . . at what might be considered a second necessary stage of this international solidarity, in the sense that what is now required is a far more active expression, not just of moral support, nor merely of financial support for the more desperate situations in the country, but rather a mobilization that would really mean backing the Chilean people in their struggle in terms of maintaining the international isolation of the dictatorship . . . by halting its reinforcement through the external supply of further instruments of repression . . . and even in a more general economic sense.

We are convinced that when we demand international solidarity in these terms, we do so not only in the interests of the Chilean people, but rather because we attribute a far wider significance to the struggle presently being waged by the Chilean people. The extension of new modes and forms of fascism is a certain risk . . . and notwithstanding all that has been written and said about the Chilean situation, it is difficult to fully understand the significance of this.

In our country there were many who waited for, hoped for and encouraged the military coup, and today . . . I think they understand the significance that that attitude has . . . because the way in which the great majority of the population is oppressed is really indescribable. We who live outside are permanently pained by the news we receive regarding the conditions under which the struggle is sustained . . . and I am not just referring to those who are actively participating in it, but also to the immense sufferings that this has meant for the Chilean people in general.

..... This interview was made by a member of the Chile Documentation Centre (Box 1393, Regina, Sask.). The CDC is a newly set up news service, designed to provide factual, up to the minute news and information about the current situation in Chile.



gory, and then the other special category, which is being applied in some cases in Chile--that of oppressed minority--in which the requisites are more relaxed. The criteria for getting into the category of oppressed minority are very arbitrary and much depends on the discretion of the individual immigration officer. Some officers were liberal and considered that people who had lost their jobs for political reasons and could prove it, were oppressed minority. The majority of officers did not. Which meant that anyone in Canada trying to help these people had to get offers of work, etc., thereby complicating and elongating the process.

*Q. So job offers are still important?*

A. Very important.

*Q. How does a person find out there is a special category?*

A. If there is someone at the Embassy to tell him. Until recently the rejection letters that went out to thousands of immigrant applicants said nothing about it. Now they do say that if you can prove your oppression, photocopies of certificates, etc., there is a special consideration.

#### Was there a coup in Ecuador?

Canada Immigration statistics for the 1st quarter of 1974 show that 452 people came from Ecuador up from 59 in the 1st quarter of 1973. They also show that only 395 people came from Chile as over against 43 in the 1st quarter 1973. Is Canada making a special effort for Chileans?

#### LATEST FIGURES

Canada Immigration reports, August 12, that 695 Chileans have arrived in Canada on the refugee movement, from Chile, Mexico, Peru, Panama and Argentina. Canadian Churches asked, on March 26, for 5,000.

*Q. So either way, immigrant or oppressed minority, it takes 4 or 5 months to find out if you can come to Canada?*

A. Yes. The thing I want to point out is that I understand from immigration officials that they are not going to have a person on the spot to process immigration applications, as of November. Rather, applications will have to go through the office in Buenos Aires, Argentina, and that will mean further elongation of the process. Applications will have to be sent over, and people will have to wait until an officer goes to Santiago to interview them. I would think that will be at the most every three or four months. That includes both immigration and security officers.

*Q. What can people here do?*

A. I think we have to keep that immigration office in Santiago open! We have to push for that. If they're going to rely on security checks, they should have a man on the spot. And people here can push for job offers, not just for individuals but for groups of workers from Chile.

#### *That Argentina Office*

The United Nations High Commission for Refugees reported in June that there were 10,000 refugees from Chile in Argentina. LAWG LETTER reporters in Argentina estimated 50,000 in July. 666 of these people have applied to come to Canada as refugees. So far 100 have been refused, and 186 accepted, a significant portion of them sponsored by the Lutheran Churches here.

The Buenos Aires Immigration office serves Lima, Peru, with periodic visits. The U.N.H.C.R. reported in June that there were at least 1,000 Chileans in Peru in transit, on temporary visas, seeking permanent acceptance elsewhere. LAWG LETTER correspondents indicate 5,000 refugees in Peru. 513 of these people have applied to come to Canada as refugees. So far 139 have been refused, and only 37 accepted. 209 have withdrawn, which is indicative of the long frustrating wait that application to Canada implies!



# ALLENDE'S CHILE

Photos by Lynn Murray Sept.-Aug. 73



Valparaiso, August 1973. MIR poster: "Soldier, don't die for the bosses, live fighting with the people. Soldier, disobey those officials that are urging you to a coup."



Campamento Erich-Schnake: Building a new home.



Friends in their new house.





Santiago, September 4, 1973. Demonstration in honour of the 3rd. anniversary of "Unidad Popular".



"I have seven brothers and sisters and there's no room for me."



# Latin America is ..

## THE GROWTH OF CANADA-LATIN AMERICA TRADE:

A reading of the 1970 Foreign Policy Review of the Canadian government indicates that Canada's primary concern in establishing and developing relations with the nations of Latin America is to advance the economic interests of Canadian business. The programmes of aid, trade expansion, investment promotion, and the diplomatic services are designed to service those sectors of Canadian society that are geared towards production for export and foreign investment for profit. The following charts illustrate the growth of Canada-Latin America trade in recent years and reflect the Canadian government's efforts to win sales abroad.

CHART 1

	EXPORTS	IMPORTS
1938	17.3	16.0
1944	33.0	78.6
1947	92.6	159.1
1964	328.1	423.2
1970	553.2	546.1
1971	549.9	606.7
1972	612.9	660.3

CANADIAN TRADE WITH LATIN AMERICA: 1938 - 1972 (\$000,000)

CHART 2

## CHRONOLOGY OF CANADIAN GOVERNMENTAL INITIATIVES TOWARDS LATIN AMERICA 1930 - 1973

### 1930-40

The government establishes Trade Commissioners in various Latin American countries, usually preceding official diplomatic relations by 10 years.

tically during the depression. As a result of the trade mission, most-favoured-nation status is agreed upon between Canada and the governments of Ecuador, Brazil, Chile, and Peru.

### 1940-41

The first diplomatic representatives were posted in Brazil, Argentina and Chile.  
The first high-ranking Canadian mission to the Caribbean (1940) and Latin America (1941) was led by J.A. Mackinnon, Minister of Trade and Commerce; the mission's hope was that with European capital distracted from Latin America by World War II, Canadian business interests would be able to capture a substantial market for Canadian products and services; trade with the Latin American nations had fallen dras-

### 1946

Canada and Mexico exchange ambassadors and arrange most-favoured-nation status for future trade.

### 1951

Canada establishes its first aid programme with the Colombo Plan under the newly created External Aid Office.

### 1953

Trade and Commerce Minister C.D. Howe leads a trade mission to eleven Latin American nations.



1960

A government sponsored trade mission to Latin America is led by Minister of External Affairs Howard Greene, specifically to promote the engineering services that Canadian firms could offer to Latin American nations.

1961

The Department of External Affairs establishes a Latin America division. Canada becomes a member of the United Nations Economic Commission on L.A. The Federal government begins extending loans to foreign purchasers in order to stimulate Canadian exports. The Export Development Corporation, elevated to a crown corporation in 1969, carries out this financing. The EDC board, while being dominated by civil servants from External Affairs and Industry, Trade and Commerce, includes five representatives from private industry so as to insure cooperation between industry and government.

1964

The newly elected government of Lester Pearson allocates the first of seven yearly \$10 million loans to the Inter-American Development Bank (IDB) to be used for the purchase of Canadian goods and services. Canada refuses to become a member of the Organization of American States, as are all other members of IDB, and retains trade with Cuba.

1968

The External Aid Office becomes the Canadian International Development Agency with an increased budget allocation from Parliament. CIDA creates the Non-Governmental Organizations Division (NGO) to allocate government funds through private aid organizations, Churches and community groups. CIDA creates the Business and Industry Division to do pre-investment and feasibility studies, generally promoting Canadian private investment in L.A.

1969

Large Canadian businesses (Bata, Moore Corp., Acres, Inco, the banks, etc.) form the Canadian Association for Latin America (CALA) to promote their economic interests in that area.

1970

The Canadian government issues its Foreign Policy Review, a reassessment of foreign policy objectives that identifies Latin America as an area for increased developmental, trade and investment programming.

1971

CIDA begins its first bilateral aid programme to L.A.; under the programme, most of the value of the aid is tied to the purchase of goods and services in Canada.

1972

Canada becomes a full member of IDB, subscribing \$100 million for the first three years.

1973

Latin America and the Caribbean receive nearly \$150 million in loans from the EDC. Brazil alone receives over \$40 million. In 1972 the EDC gave \$26.5 million to a Brascan subsidiary in Brazil.

1974

CALA, with a grant from Industry, Trade and Commerce, sponsors a business conference on Latin America, bringing 50 leading L.A. businessmen to meet their Canadian counterparts.

## FED UP WITH ESTABLISHMENT SCIENCE?

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ESTABLISHMENT?

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# Canadian Aid to the Junta

Fire needs fuel. When it's a human holocaust, savagely burning all in its path, it needs a lot of fuel.

And Canada is feeding the fire in Chile.

Since the military junta toppled the Allende government a year ago this month, Canada has been none too slow to grant recognition — recognition that, according to Canadian government spokesmen, "does not imply approval" — and to follow up with the economic assistance upon which the existence of the repressive apparati is predicated. Canada paid brief homage to the ideal of non-approval by granting, within weeks of the coup, a \$5 million export credit for the sale of DeHavilland airplanes to the junta. External Affairs claims that the credit was approved under the Allende government in April of 1973 and announced after the coup. But speculation remains that one of the factors accounting for the swift recognition of the junta was the economic imperative to proceed with the \$5 million credit. Regardless of the timing of the approval, the fact remains that it can only support the junta's consolidation of power.

Canadian private banks played the next role in fanning the flames of repression in Chile with the granting of a multi-million dollar loan to the Chilean militarists. This event passed by unnoticed by Canadians since it was never announced here — only in Santiago by the rightwing paper, *El Mercurio*, anxious to impress the world with the international monetary support the junta was receiving.

The turning point in the junta's economic entrenchment came in mid-winter with a decision by the International Monetary Fund (IMF) to grant a stand-by facility of \$95 million. The loan held an importance beyond its dollar value, for it implied approval by the international financial community for the junta's economic plans. It has become the precedent for subsequent loans and grants.

It would seem then that the member nations of the IMF, including Canada, approve of the economic planning of the junta's "Chicago" advisors. This planning has been condemned for its de-nationalization of companies expropriated by the UP, its Bra-

zilian-model orientation towards acceptance of a foreign-dominated economy, and its strangulation of the Chilean people by rampant inflation amidst restrained, subsistence wages.

In more recent months, Canadian complicity has centered around four major points:

1) In February the Paris Club (the group of rich nation creditors of the Chilean debt) agreed to renegotiate the terms of payment to assist the junta in its "reconstruction". Chile's debt to Canada is held solely by the Export Development Corporation (for more on the EDC see *Latin America Is...* on page 14). The EDC was represented by Finance Minister John Turner at the Paris meeting. Turner, who works on the principle that such institutions should look only at economic criteria, did not protest the violation of human rights in Chile. However, Turner did not even question the dubious economic planning of the junta. Now, with the Paris Club decision a fait accompli, the question remains as to what interest rate Canada will be charging the junta. And when Parliament gives the EDC a new allocation this fall, will it endeavor to make new export cre-

## FASCISM





ditions available to Chile?

2) Several days before the April first meeting of the Board of Governors of the Inter-American Development Bank (IDB) was scheduled to begin in Santiago, the United States (which controls over 40% of the Bank's voting power) pushed through a \$22 million loan to the junta so it could be announced during the pomp and ceremony of the Board meeting. Canada voted in favour of the loan and Gerin-Lajoie, President of the Canadian International Development Agency (CIDA), was there in Santiago to participate in the pomp. On April 25th IDB announced a \$75 million loan to Chile explaining that the project had been under consideration during the Allende years. But the loan was only made at this time. It takes no economist to understand the significance in delaying the loan until after the UP's demise. Canada again voted yes to this loan. No questions or protests. Once more Canada voted and acted in favour of juntanomics: in favour of repression, torture and murder.

3) In February CIDA announced that it would conduct an investment seminar to stimulate investment by Canadian-based companies in the Andean Pact nations of Latin America. Despite considerable Canadian public opinion in opposition to aid to the junta, Chile will be included as a representative at the Fall seminar. The seminar is not yet a fait accompli; Canadian protest and denunciations may yet adversely affect Chilean hopes for new Canadian capital.

4) Recent Statistics Canada information on Canada-Chile trade indicates that private business is buying a great deal more Chilean copper and selling an increased amount of mining machinery to Chile. Under Allende little such machinery was forthcoming from either the US or Canada, thereby severely affecting proper maintenance and expansion of the copper mines.

All of the above are just some of the examples of Canadian complicity in the Chilean nightmare. But Canadian complicity is somewhat complex. It is not as openly blatant as the Nixonomics that aggressively pressed for the international financial institutions to cut aid to Chile. Nor is it as forthright as the US-controlled Alliance For Progress that is urging the multilateral aid and loan institutions to speed up their decisions on Chilean requests for assistance. The Canadian position is publicly defined as being "a-political" - we're only interested in economic

criteria and not "political" questions such as human rights. This is indicative of Ottawa policy makers. Their concern is to put the government structures at the service of an export-orientated and foreign-dominated sector of the Canadian economy for the realization of increased profit. Using a cost benefit type of rationality, the government weighs the economic benefits accruing to this sector against protests within Canada which stand opposed to government support to Chile, Brazil or South



Africa. The former usually wins out. Then the government decides to live with the protests until such time as they grow too strong, thereby jeopardizing the ruling party's base of support. All of which is to say there are some people in government who are themselves against the Chile juntas or actually believe in the mythical "a-political" ideology. But the power of Canadian business interests and their allies in External Affairs and Industry, Trade and Commerce remains predominant.

The countervailing power is that of the Canadian people to insist that no fuel be added to the Chilean holocaust from Canadian taxpayers' monies; that Canadian banks and private enterprises be constrained from trading and investing in Chile; that the loans and aid programmes to Chile be stopped, so that one more obstacle might be removed from the struggle of the Chilean people to resist and overthrow the military dictatorship.

*Editor's note: Just as we went to press we learned from Business Week that Falconbridge Nickel Mines Limited (see LAWG LETTER, Vol. II, No. 3) had made the Chilean junta an offer to invest \$300 million in the north of the country to begin a new copper mine.*



# A Year of Dictatorship and Struggle

For the past year the Chilean people have been suffering under a most heinous military oppression. The image of a society making a peaceful transition to socialism, experimenting with new forms of socialist ideals and planning, is now past history. The Chilean working class is now locked in a costly armed struggle for a free and socialist nation.

News from Chile carries with it tales of a fascist military trying in a crude yet sophisticated manner to exercise its control over a momentarily defeated populace. In July the military dictatorship announced that the state of emergency will continue for an indefinite period. Augusto Pinochet has been officially named "chief of the nation". He announced that he would rule for five years and "perhaps even longer", thus dispelling any ideas of a return to some form of a quasi-democratic government.

The junta is now trying to "re-construct" the partially socialized economy. All intervened factories have been returned to their former owners. Compensation is going to be paid to the nationalized copper mines. Anaconda has already signed an agreement by which it will receive \$253 million for two of its mines. The junta recently invited Business International to set up a business seminar in Santiago in the hope of attracting new foreign investment. While most multinationals are unexcited about investing in any Andean Pact Nations, due to their restrictive foreign investment legislation, they are interested if the profits look lucrative enough. Already Falconbridge Nickel Mines (see *LAWG LETTER*, Vol. II, No. 3 and "Aid to the Junta" elsewhere in this issue) has proposed opening a new \$300 million copper mine in the north of Chile. Dow Chemical has also decided to double the capacity of its plastics plant near Concepcion.

While the military takeover was done in the name of capitalism, many capitalists are skeptical of the junta's ability to ensure a climate for profitable capitalist development. As the *Latin America Economic Report* pointed out, *"most business people still seem to think that out of this administrative stumbling and vague plans, the junta and its US-trained economic team*

*will eventually manage to get the economy in healthy shape, but not even the most optimistic predict any measureable improvement before 1976."*

The junta is clearly conforming to the interests of multinationals and large businesses, all at the expense of the small and medium businesses. Small businesses which actually thrived under Allende due to the rapid growth of the buying power of the lower classes, now are hard put to stay out of bankruptcy. Inflation, coupled with the rapid decline of real wages, has meant that most Chileans are buying a fraction of what they were able to do before. The petit bourgeoisie are beginning to realize that the coup was not in their best interests. As an official of the Confederation of Retailers and Small Businessmen (a leading force in creating the economic chaos which preceded the coup) told the Washington Post, "If this economic situation goes on much past the end of the year, we'll have to start fighting again."

Meanwhile, it is the working class and peasants who are forced to pay the price for this economic policy. While under Allende, wages were automatically raised to keep pace with increased living costs, there is no such guarantee under the junta. Already inflation has been over 1,000% since September, 1973. Rents alone have gone up 2,000% so that a three room apartment now costs \$280 while the minimum salary in Chile stands at an incredibly low \$36.80. While wages are low for those with work, thousands remain without any form of livelihood. Unemployment in 1972 was only 4%, today in Chile nearly 20% of the workforce are without jobs. To make matters worse, the junta has announced its intention of trimming the civil service by an additional 100,000. The situation has become so aggravated that simple day-to-day subsistence has become the major preoccupation for hundreds of thousands of Chileans.

During July and August the junta stepped up its program of arresting former UP supporters. The government has set up a new secret service - DINA - the Board of National Anti-Communist Investigations. The newly appointed assistant director of DINA is Walter Rauff, a former Gestapo Co-



lonel. Rauff is held responsible for the deaths of thousands in Poland, Yugoslavia, and the Ukraine. He was in charge of the mobile gas chambers for the Central Office for the Security of the Reich, head of the concentration camps at Ravensbruck and Ravensstein, and later director of security police in Tunisia and Milan. After the war Rauff fled to Latin America and eventually went into business in Punta Arenas in Chile. The West Germans attempted to extradite him in 1963, but the Chilean Supreme Court refused the request. Today Rauff is assisting Colonel Hector Sepulveda in executing DINA's operations of selective repression to gain information about "extremist subversion".

Aided by a sophisticated computer system (which is fed by American information terminals), DINA is tracking down members of the UP parties and their sympathizers. One day, for example, the computer is used to print out all the names of Chileans who have spent more than a month in Cuba. Then they are picked up. Weeks later, DINA uses the computer to get the names of those who have spent only a few weeks in Cuba. The process then continues, picking members of the left parties and so on. This methodical and systematic round up has resulted in the arrests of nearly 15,000 people since the program began at the beginning of July. In order to carry out the arrests

entire *poblaciones* (politicized working class neighbourhoods) are being surrounded, barricaded, and then searched, house by house.

All these arrests have meant the continued use of the Chile Stadium in Santiago as a concentration camp. The lack of sanitary facilities coupled with the inadequate food served to prisoners has subjected the imprisoned to numerous illnesses -- often fatal ones. Today the popular name for the stadium is the well earned title "Field of Death".

DINA, which has incorporated personnel from the para-military fascist organization, *Patria y Libertad*, proceeds to carry out "scientific torture" on its victims in its attempts to uncover information about organized resistance.

The use of these Gestapo tactics, while causing some set backs to the Chilean resistance, has not been effective in preventing the growth and consolidation of popular forms of resistance.

Opposition and resistance to the military junta has taken many forms in Chile. One of the most important developments that has taken place is the growth of the Secret Resistance Committees (SRC). The SRC's are the base of what the workers and revolutionaries call the Popular Resistance Movement (PRM).

The PRM is integrated into the heart of the worker, peasant and student movements, and even within the armed forces and carabineros.

The organization goes beyond political action. It embraces all social forces and is aimed at organizing the mass movement from below, in a clandestine form, actively incorporating it into the struggle against the dictatorship. From there it will reach all levels: factories, farms, universities, towns, local levels of the commune and the provincial, expanding to the national level.

The base of the entire structure is the Secret Resistance Committee, which is organized as a small secret group in each factory, farm, school, or town, etc., and is immediately connected and united with a higher level. The field of action of the SRC does not embrace only that sphere in which it moves. A SRC also has other obligations and tasks, such as linking itself with legal organizations that still exist: unions, federations, etc.

Significant parts of the Unidad Popular and MIR parties have been incorporated

**SOLIDARITE AVEC  
LE PEUPLE CHILIEN**





into the SRC's. The MIR originated the committees and supported them through its organization, which had done better than most parties in confronting the coup and the subsequent repression. Nonetheless, the fundamental condition for joining the SRC's is to agree to unite around the aim of overthrowing the dictatorship, re-establishing democratic freedoms, and defending the standard of living of the masses.

Around these goals new forms of struggle arose. For example, one can find 1 kg. packages of noodles that contain 300 grams more of noodles than they are supposed to have. As well as easing somewhat the suffering of the people which is caused by hunger and economic repression, those 300 extra grams hurt one of the industries of large scale capital and big businessmen.

Allegedly accidental fires have destroyed Multiplas Industries and the stores of Fuentes and Co., known for cruel exploitation of workers and their refusal to grant bonuses.

The planned absenteeism of specialized workers has caused daily delays in production lines, while in the public sector the bureaucratic paths become voluntarily entangled as a way to freeze the official policy of dismissals.

Other more aggressive actions take place independently when conditions are favourable. In this sense, the small acts of sabotage on tools or machinery, which occur daily, take on greater importance when a committee sees the chance to put into action an armed commando specializing in explosives or incendiary devices. On May Day, a flood of pamphlets, red paint, and stripes painted on walls demonstrated the first organized agitation and propaganda of the Resistance.

Leaflets appear in downtown Santiago saying:

*The state of war means killing, repression, dictatorship, and silencing every kind of freedom.*

*Workers! we can't lose what we've gained. We must go on. But now, more united and with more strength than before. Nothing can stop us, not even the loss of our people.*

*Victory will be ours. Let us overthrow the assassins.*

Outside of Chile, as within, there are many people working to lend support to the Chilean people in their struggle. Recently Luis Figueroa, former head of the Chilean Central Labour Union (CUT), commented par-

ticularly on the role of Chilean refugees throughout the world:

*We, who have been forced to leave, have the task of working for international solidarity. The leadership of the opposition and of the CUT is in Chile, and we take orders from there. (A member of the underground resistance movement took over Figueroa's position as leader of the CUT several months ago.)*

The need for international solidarity and support is pressing. One mustn't let the present fate of Chile be forgotten. As Rolando Calderon, former Minister of Labour under Allende said,

*We have an enormous political, social, and humanitarian will to resist in Chile. But organization, leaders, and material require money... that's where international solidarity comes in. The resistance began long ago, and is steadily growing.*



## Justice for Farmworkers—

RALLY

International Grape Boycott Day  
Place: Toronto City Hall  
Date: Saturday, September 14th  
Time: 11 a.m.



# News Briefs

## BRAZIL

The economic effects of the cost of oil increase are beginning to surface. The domestic price of gas went up 8% in August in an effort to cut back on consumption. Already Brazil has spent \$2,285 million for oil in the first six months of the year, against a budgeted expenditure of \$3,250 million for the whole year (total Brazilian imports in 1973 cost \$6 billion). Japan's Nissan Motors has indefinitely postponed the construction of a major factory near Sao Paulo, saying the Brazilian economic situation was unstable, with growing inflation and balance of payments problems. (Latin America)

The wave of arrests which began in Brazil last April is still continuing. Numerous bodies, victims of the notorious Death Squads, are being discovered. The Brazilian Lawyers Association recently held a conference to investigate charges of forced detention of political prisoners and torture. The Association called on the government to reinstate civil liberties and to end all use of torture.

## CENTRAL AMERICA

The bitter Banana War looks like it will continue well into the fall. Panama is now locked in conflict with Chiriqui Land Co. (a subsidiary of United Brands, formerly United Fruit). Chiriqui has been refusing to pay Panama's \$1 per crate tax and has begun destroying its fruit. To date 80,000 crates have been destroyed and an additional 60,000 left in the fields to rot. Panama pledged to pay Chiriqui's workers as long as the boycott lasts. United Brands has now offered to sell its holdings to the Panamanian government, insisting that before the sale, Panama must lower the tax. Panama countered by saying that it won't buy the company until it resumes production.

Meanwhile Costa Rica, under strong pressure from Standard Fruit and United Brands, lowered its export tax to about 25¢ a crate. Standard had cut its Costa Rican operations by nearly 70%. In June United had refused to settle with striking

workers and caused about \$1 million loss in production.

On September 14th, the Union of Banana Exporting Nations will be formally convened with Colombia, Panama, Guatemala, Costa Rica, and Honduras. Ecuador, which produces 30% of all bananas, has so far failed to join the Union, preferring to pick up extra business lost by countries trying to impose the tax. (International Bulletin)

## COLUMBIA

The governor of Cundinamarca department has announced that an investigation is under way to clarify the charges made by Colombian priest Guillermo Manrique Lopez. Lopez said that a group of North Americans have been sterilizing peasant youths while carrying out a program of vaccination against childhood diseases. (PTS)

## DOMINICAN REPUBLIC

A widespread strike movement affecting shops and offices snowballed in the days preceeding the inauguration of President Joaquim Balaguer. At least two people have been killed in clashes with the police. The strikes are demanding the release of political prisoners and improvement in social conditions. (Latin America)

Fifteen Haitian workers were killed and an unspecified number were wounded on a cane plantation after refusing to work for free. One survivor accused Felix Bernardino, former strongman under Trujillo, as the murderer. The Haitians, who had been contracted to work on the plantation of a Dominican official, had refused to work after they learned they wouldn't be paid. (PTS)

## MEXICO

President Echevarria has ordered a full scale government investigation into the role of the Central Intelligence Agency in Mexico. The investigation was sparked by the recent allegations of former agent Philip Agee about the widespread activities of the CIA in the country. Agee has revealed that in the 60's there were at least 50 people paid by the CIA who were within the Mexican government. There already has been an uproar over the recent appointment of a new US ambassador



to Mexico, John Jova. Mexican papers charged that Jova had worked for the CIA in Chile in 1964 to block the election of Salvador Allende. (International Bulletin)

Horrific stories are coming to light since the Mexican government stepped up its campaign to capture the guerrilla leader, Lucio Cabanas. Cabanas is alleged to be holding prisoner Senator Ruben Figueroa, who has been missing since last May. Peasants in the state of Guerrero are being displaced by the army during their sweeps through the state. This has created an increasing scarcity of food. Other observers also reported that they had seen between 25 and 40 bodies being loaded onto military vehicles. There are other reports that troops had massacred entire villages suspected of collusion with Cabanas. (PTS)

Taking an unprecedented stand, the Mexican bishopry has pronounced itself in favour of birth control. The bishopry stated that it does not feel that population growth is a main cause of the social problems affecting underdeveloped nations. "The decision to limit the number of children, as well as the choice among methods for that purpose, is up to the conscience of the couple involved." (PTS)

## PARAGUAY

A group of political prisoners is holding an indefinite hunger-strike in Paraguay. "The strike will continue until the regime of Alfredo Stroessner orders their release," said Serafine Ramirez, the mother of one of the prisoners (see LAWG LETTER Vol.II, No.3). Mrs Ramirez indicated that the prisoners are suffering from bad health. Her own son, Carlos, has been incarcerated for nine years without coming to trial or having precise charges laid. (Prensa Latina)

## URUGUAY

Following a recent meeting of the Uruguayan Workers' Confederation (CUT) it was revealed that all of the delegates' expenses, food, travel, lodging, etc., were being paid by the Interamerican Regional Workers Organization, a group totally financed by the AFL-CIO. The CUT is the only labour organization legally allowed to operate in Uruguay. The more radical National Workers Union (CNT), representing

almost 500,000 workers was declared illegal last year. Thus North American workers are in effect contributing to an organization which has the backing of the Bordaberry dictatorship and which strives to divide Uruguayan workers. It was also reported that several CUT directors had met with the US Charge d'affaires prior to the meeting. (PTS)

Faced with increasing economic problems, Uruguayan dictator Juan Bordaberry has placed the country's economy and finances under the control of a military council. Bordaberry made the announcement on the first anniversary of the coup in which Parliament was dissolved. In the past year the Uruguayan peso has decreased by half and thousands of Uruguayans are leaving the country due to the high unemployment level. (PTS)

Five leaders of the Physicians Union were arrested in Montevideo, by Bordaberry's police. They were interned in the city's stadium, as the Uruguayan regime has followed Chile's example by turning it into a concentration camp. The doctors were accused of "illegal union activity". (PTS)

## PERU

President Juan Velasco said that the new Press Law "has destroyed one of the last bastions of the reactionary plutocracy...which would never again rear its head." Velasco was referring to the government's expropriation of several Lima dailies. Velasco denounced the "big press" which almost always defended the interests of foreign corporations. He described the expropriation as a "revolutionary change" designed to obtain "the real and democratic participation of all Peruvians in the use of a decisive instrument of power." Peru's action led some political groups in Argentina to call for the implementation of a similar law in that country. (Prensa Latina)





# Book Review

CHILE'S ROAD TO SOCIALISM, by Salvador Allende, edited by Joan Garces, translated by J. Darling, introduction by Richard Gott. Pelican Books, Great Britain, 1973.

At a time when Chile is ruled by a military junta which survives through terror and repression, it is refreshing to read this collection of Allende's speeches from his first year and a half as president. The Chilean motto is BY REASON OR BY FORCE. It is clear that Allende sought to govern according to the first alternative.

Speeches are by nature public affairs. As such, the speeches of Allende give valuable clues about this man as a public figure. The collection includes formal addresses and more informal responses to specific events. In the former, the emphasis is on clarifying and setting forth policy, explaining the "Chilean road to socialism" and describing the economic realities of Chile and Latin America generally. In the more informal talks, Allende emerges as a political tactician, concerned about the complexity of a diverse coalition, the Unidad Popular, and the pressures from both the left and right within the country.

These speeches have little trace of demagoguery. Allende rarely portrays himself as a "savior". Rather he continually exhorts his countrymen to participate in the construction of a new society, by being creative and productive.

Nor do these speeches have the "promises! promises!" quality so often characteristic of other political leaders. He states the achievements of his government when these occur or he outlines future plans. His annual address to Congress in May 1971 is a good example:

*Our policy could seem too simple for those who prefer grand promises...Chile has begun the definitive recovery of its basic wealth...the nationalization of copper...and iron...Coal will be placed in public ownership...We shall build more houses than ever before in a similar period of time...This government will always tell the people the truth. I believe that it is my duty honestly to admit that we have made mistakes...Millions of Chileans are the daily victims of bureaucracy and red tape...we have been slow to work out social mechanism to facilitate popular participation...*

In his speeches, Allende often explains his view of socialism, a combination of optimism and the belief in creating a new society, and an awareness that socialism is not an instant solution.

*We need the courage of those who dare to rethink the world as a project for the service of man...We are not going to find a solution in one day to problems that have lasted more than a century...We are not yet a socialist country...There is no one who can show us the way...it is up to us to find our own way.*

This collection has some limitations. The bulk of the speeches are from the initial six months of Allende's government. Some of the selections are obscure and only those living in the country at the time would know the context in which they were given. No attempt is made to analyze and evaluate Allende's tactics as a leader or his attempt to rule by reason rather than force and why that failed.

Nonetheless, this collection is a useful addition to the growing number of books on Chile. The introduction contains basic biographical detail about Allende's career until he assumed the presidency. A handy index is also thoughtfully included. The program of the Unidad Popular is given in full, as well as Allende's speech at the opening of UNCTAD III. The speeches convey a picture of Allende, the popular president and offers some clues as to the vicissitudes of Chilean politics in the early years of his presidency. Hopefully a similar collection of his later speeches will follow.





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Cuba: The Logic of the Revolution, by David Barkin & Nita Manitzas, a collection of detailed articles dealing with education, income redistribution, agriculture, etc.\$3.50

Revolt In Repressive Society: The Emergence of New Politics in the USA, by IDAC...\$1.75

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